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TAGS: [PGOV](#) [ECON](#) [DR](#)
SUBJECT: TOUR D'HORIZON WITH THE OPPOSITION PRD PARTY

REF: A. SANTO DOMINGO 1174
[1](#)B. SANTO DOMINGO 1169
[1](#)C. SANTO DOMINGO 1140

Classified By: Political-Economic Counselor Alexander Margulies. Reason: 1.4(b/d).

SUMMARY

[1](#)1. (C) Miguel Vargas Maldonado, President of the opposition Revolutionary Dominican Party (PRD), in a 10/7 meeting with PolEcon Counselor and Polchief, said his party was moving onward following its recent contentious National Convention and was now focusing on making significant gains in the 2010 congressional and municipal elections and then winning the 2012 presidential race. Vargas, who was joined by top PRD officials and legislators, stated the PRD's campaign would criticize the ruling Dominican Liberation Party (PLD) for its failure to address health, education, energy and public security needs, as well as for its endemic corruption and massive use of patronage. The PRD officials expressed concern that, despite the expected enactment of a new Political Parties Law, the PLD would use government resources to promote its candidates. They also explained their constructive cooperation with the PLD in the ongoing constitutional reform process, claiming that the new constitution and the new political party law that should also be soon enacted, would improve transparency in the Dominican political process. END SUMMARY.

[1](#)2. (U) Vargas was accompanied at the meeting by PRD Secretary General Orlando Jorge Mera, Secretary of Organization Geanilda Vasquez, Secretary of International Relations Peggy Cabral, Secretary of Communications Wilfredo Alemany, Press Director Nelson Marte; Senators Andres Bautista, Mario Torres, Teofilo Rosario and Roberto Rodriguez, and National Deputy Neney Cabrera.

THE PRD'S PRIORITIES

[1](#)3. (C) Vargas emphasized that the PRD had put the contentions surrounding its 9/27 National Convention (Refs A,C) behind it, claiming that the party's rank-and-file recognize that the loser's allegations are unfounded and that the winning candidates Mera and Vasquez won with overwhelming support. He then described the party's immediate priorities as follows:

-- In Congress, complete passage of the proposed constitutional reforms and then enact a new Political Parties

Law;

-- Solidify the PRD's organizational structure, incorporating the 3000-plus local party officials elected during the 9/27 National Convention;

-- Host the Socialist International's Annual Assembly on 11/20-22, and co-host with the PLD the 30th Anniversary of the Permanent Conference of Political Parties of Latin America and the Caribbean on 10/11-12;

-- Hold party primaries the last weekend of November and the first weekend of December to select candidates for the 2010 congressional and municipal elections (the PRD Political Committee is reserving 15 percent of these candidacies for alliance candidates); and

-- Provide support to its candidates during their election campaigns to fulfill the party's goal to "Advance in 2010 and Conquer in 2012."

ELECTION STRATEGY AND CONCERNS

¶4. (C) According to Vargas and the other PRD officials, the party's election strategy will focus on attacking the Fernandez Government's "neglect" of the "most pressing" needs facing the population: health care, education, energy and public security, as well as the ruling PLD party's "endemic" corruption, excessive patronage and fiscal irresponsibility. They were quick to add, however, that the PRD's campaign will also be positive in nature, highlighting the party's own proposals to address these shortcomings and abuses. Nene Cabrera, who is the PRD's spokesman in the Chamber of Deputies, said that the party's legislators will henceforth oppose all loan proposals that come before Congress unless those loans are being offered by international financial institutions on favorable terms. (NOTE: Later that day Cabrera indeed stood up in Congress to announce the PRD's new position and its opposition to a USD 20 million loan from a private bank. END NOTE).

¶5. (C) The PRD is counting on swift enactment of a Political Parties Law following promulgation of the constitutional reforms, hoping that the new legislation will help prevent the PLD's use of government resources during the congressional/municipal elections. Vargas, who lost the 2008 presidential race to the incumbent Leonel Fernandez, credited his defeat in part to Fernandez' employment of state resources during the campaign, noting that the Organization of American States report on the election campaign recognized this. The PRD legislators then chimed in with examples of current high-level GoDR officials with large discretionary spending power, such as Minister of Sports Felipe Payano, who are being presented as the PLD's candidates in poor areas, even though they often have no previous links to those regions. Party SecGen Jorge warned that narcotraffickers would try to buy influence through campaign contributions, but insisted that the PRD was implementing safeguards to ensure that narcodollars would not enter into its campaign financing.

CONSTITUTIONAL REFORMS

¶6. (C) Vargas stated that the PRD's cooperation with the PLD on constitutional reform was based on the recognition that the present constitution needed to be amended and brought up to date, as well as the realization that the PRD, as the minority party, could either join constructively in this effort and exercise considerable influence over the reforms' substance, or watch from the sidelines as the PLD and its allies in the Social Christian Reformist Party (PRSC) rammed through their proposals. (NOTE: The PLD and its allies control 96 seats out of 178 in the Chamber of Deputies and 22 of 32 Senate seats. The PRD controls 60 seats in the

Chamber of Deputies and has six Senate seats. The PRSC has 22 seats in the Chamber of Deputies and four Senate seats. END NOTE.) He defended the reforms passed to date, arguing that they strengthened democracy and increased transparency, pointing specifically at the prohibition of direct presidential re-election and at the decision to maintain the selection of the members of the Accounts Chamber (akin to the Congressional Budget Office) in the hands of the Congress.

17. (C) PolEcon Counselor observed that civil society organizations and the media were expressing concern over reforms that appeared to limit or even eliminate citizens' rights to bring constitutional challenges to government actions and laws. Senator Rodriguez and Deputy Cabrera replied that these criticisms were based on a misunderstanding; as the Congress was merely in the process of shifting these rights from cases before the Supreme Court (which currently hears constitutional challenges) to cases that will be brought in the future before the to-be-created Constitutional Tribunal, the reform articles of which will be discussed and voted on by the congressional Constitutional Revision Assembly over the next week. (COMMENT: This is the first time we have heard this explanation. It has not been proffered publicly. END COMMENT).

REFIDOMSA SALE

18. (C) During Vargas' perorations against the GoDR's energy policy, PolEcon Counselor Ecopolcouns asked about the party's position regarding the government's proposal to sell 49 percent of its stake in the country's principle oil refinery, REFIDOMSA, to Venezuela's state-owned oil company PdVSA. The PRD's leader said that he understood that there was a legal argument that the deal violated DR-CAFTA. PolEcon Counselor replied that he had read the legal analysis, but that the argument appeared to be based on a law concerning hydrocarbon deposits in the Dominican Republic, and did not address hydrocarbon products brought into the country for refining or other use. Vargas acknowledged this was the case and changed the subject, without stating whether his party has a position on this transaction.

COMMENT

19. (C) Vargas and his power circle are clearly comfortable with their control over the PRD and are looking forward to contesting the May 2010 congressional and municipal elections, as well as to Vargas' expected challenge for the national presidency in 2012. Their election strategy appears to be sound, as are the PRD official's concerns that their PLD and PRSC opponents will be in a position to use their government offices to further their electoral ambitions. Likewise, SecGen Jorge's observation that narcomoney in political campaigns is a danger is well-founded, although the extent to which the PRD will take concrete steps to avoid such contributions remains to be seen. END COMMENT.
LAMBERT